

Legislative Digest

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H.J. Res. 61, Hire More Heroes Act of 2015

FLOOR SITUATION

On Monday, July 27, 2015, the House will consider <u>H.J. Res. 61</u>, the Hire More Heroes Act of 2015, under suspension of the rules. The joint resolution was introduced on July 23, 2015, by Rep. Rodney Davis (R-IL) and was referred to the Committee on Ways and Means, and in addition, to the Committee on the Budget. This legislation is nearly identical to <u>H.R. 22</u>, which passed the House by a vote of 412 to 0 on January 6, 2015.

SUMMARY

H.J. Res. 61 amends the Internal Revenue Code of 1986 to permit an employer, when determining whether it must provide health care coverage to its employees under the Patient Protection and Affordable Care Act (PPACA), to exclude employees who have coverage under a health care program administered by the Department of Defense (DOD). This includes TRICARE or coverage provided by the Department of Veterans Affairs (VA).

BACKGROUND

The PPACA imposed an "employer mandate," on employers that requires all businesses with more than 50 full-time or full-time equivalent employees (defined as those who work more than 30 hours per week) to provide employer-sponsored health insurance. When an employer hires a 50th full-time employee, businesses not in compliance are subject to a \$2,000 noncompliance penalty for each employee beyond the 30th they hire, in addition to the salary and benefits they must provide to their employees. However, under current law, veterans who already receive health insurance through the VA or TRICARE would still be counted toward the employer mandate. This legislation exempts these veterans from being included in this count.

According to the bill sponsor, "The *Hire More Heroes Act* is a jobs bill that will not only encourage the hiring of veterans but will also allow businesses to expand and grow our economy without being penalized ... We know offering health care is costly for small businesses and the employer mandate

¹ See Energy and Commerce, Majority Staff report, "Obamacare vs. Jobs," March 12, 2013.

in ObamaCare has forced many to delay hiring, cut hours and in some cases reduce their payroll at a time when our economy is struggling to recover. So, it only makes sense to exempt veterans receiving health care through the VA from ObamaCare's employer mandate since they are clearly covered elsewhere and do not need employer-provided insurance."²

The joint resolution is nearly identical to <u>H.R. 22</u>, which passed the House by a vote of <u>412 to 0</u> on January 6, 2015. The House also passed a similar version of this legislation in the 113th Congress by a vote of 406 to 1. The Senate did not act on the House-passed bill.

COST

A Congressional Budget Office (CBO) cost estimate is currently unavailable. However, CBO and the Joint Committee on Taxation (JCT) previously <u>estimated</u> that H.R. 22, which is substantively similar to this resolution, would reduce revenues, and thereby increase budget deficits, by \$858 million over the 2015 to 2025 period.

STAFF CONTACT

For questions or further information please contact <u>John Huston</u> with the House Republican Policy Committee by email or at 6-5539.

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² See Press Release—"Rep. Davis: House <u>Overwhelmingly Approves Hire More Heroes Act</u>," March 11, 2014.